



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

MAY 14 2013

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Item 3340-001-0001 and Addition of Item 3340-001-6029,
Support, California Conservation Corps**

Proposition 40—Fuels Management

It is requested that Item 3340-001-6029 be added in the amount of \$5 million and 12.5 positions and that Item 3340-001-0001 be revised to reflect this change.

Proposition 40, approved by the voters in 2002, provides \$300 million for projects that enhance beaches, watersheds, and water quality, including fuel management activities in watersheds. This proposal will provide \$5 million Proposition 40 funds annually for three years for fire prevention and fuel reduction activities to be performed by the California Conservation Corps (Corps) in sensitive watershed areas to protect water quality and reduce wildfire risk. The proposal will expand the Corps by approximately 45 corpsmembers and fuel reduction projects will be prioritized in coordination with the Department of Forestry and Fire Protection (see Attachment A).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Keith Gmeinder, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS
Director
By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

MAY 14 2013

cc: Honorable Kevin de León, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Bill Emmerson, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mike Gatto, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jeff Gorell, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Jim Beall, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Patrick Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Ms. Maria Berumen, Chief of Administration, California Conservation Corps
Mr. Brian Marshall-Winks, Budget Officer, California Conservation Corps

Attachment A

3340-001-6029—For support of California Conservation Corps, for payment to
Item 3340-001-0001, payable from the California Clean Water, Clean Air, Safe Neighborhood
Parks, and Coastal Protection Fund.....5,000,000

Provisions:

1. The funds appropriated in this item shall be expended on State Responsibility Area vegetation management projects selected in accordance with criteria and processes collaboratively established by the California Conservation Corps and the California Department of Forestry and Fire Protection, with a focus on protecting watershed values and/or water quality at risk from potential wildfire impacts.



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Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Budget Bill Item 3360-001-0465, Support, Energy Resources Conservation
and Development Commission**

Proposition 39—Technical Assistance Program for School Districts

It is requested that Item 3360-001-0465 be increased by \$4 million and 8 positions to provide guidance to all school districts and technical assistance to small local education agencies to facilitate the implementation of Proposition 39.

In November 2012, the voters approved Proposition 39, creating the Clean Energy Jobs Act of 2012. The measure provides up to \$550 million annually for five years to improve energy efficiency and expand clean energy generation.

The May Revision proposes to provide all Proposition 39 funding to schools and community colleges. Under this proposal, the Energy Commission will provide its expertise to identify the most cost-effective energy savings opportunities for K-12 school facilities and guidance on establishing baselines and tracking performance.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Jesse McGuinn, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

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Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Rob Oglesby, Director, California Energy Commission
Ms. Sherri Guzman, Budget Officer, California Energy Commission



MAY 14 2013

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to Budget Bill Items 3540-001-0001 and 3540-006-0001, and Addition of Item 3540-492, Support, Department of Forestry and Fire Protection

Aviation Management Unit Contract Increase

It is requested that Item 3540-001-0001 be increased by \$952,000 to fund a new contract for aviation logistics support, parts, and services for the Department of Forestry and Fire Protection's (CAL FIRE's) Aviation Management Unit. This request will ensure the necessary aviation assets are available when needed during fire season, and that required maintenance is performed between fire seasons.

Fireworks Disposal Management

It is requested that Item 3540-001-0001 be increased by \$500,000 to fund 2 existing Arson and Bomb Investigator positions, and provide additional resources to properly dispose of seized illegal and dangerous fireworks that are stockpiled throughout the state. The two positions will support local jurisdictions with fireworks education and enforcement to mitigate fireworks seizures. This proposal includes trailer bill language that would allow local governments to sell seized fireworks to a licensed fireworks wholesaler or importer/exporter under specified circumstances (Attachment 1).

Emergency Suppression Fund (E-Fund) Baseline Adjustment

It is requested that Item 3540-006-0001 be increased by \$51 million to more accurately reflect the historical E-Fund expenditure pattern. The E-Fund is a unique budgeting mechanism to support CAL FIRE's emergency fire suppression efforts, and the budget has included a \$121 million appropriation for the past several fiscal years. This request will provide fiscal year 2013-14 funding based on a five-year average of wildfire suppression costs.

Department of Justice Legal Services Reappropriation

It is requested that Item 3540-492 be added to reappropriate unexpended one-time funding from 2012-13 related to an ongoing lawsuit. The funds would be reappropriated for expenditure in 2013-14, when the costs of that litigation is expected to occur (Attachment 2).

MAY 14 2013

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Keith Gmeinder, Principal Program Budget Analyst, at (916) 324-0043.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

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Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Janelle Beland, Undersecretary, Natural Resources Agency
Mr. Pat Kemp, Assistant Secretary for Administration and Finance, Natural Resources Agency
Mr. Ken Pimlott, Director, Department of Forestry and Fire Protection
Ms. Janet Barentson, Chief Deputy Director, Department of Forestry and Fire Protection
Ms. Caroline Godkin, Deputy Director Legislation, Department of Forestry and Fire Protection
Ms. Melissa Gamer, Budget Officer, Department of Forestry and Fire Protection

12723. (a) The authority seizing any fireworks under the provisions of this chapter shall notify the State Fire Marshal not more than three days following the date of seizure and shall state the reason for the seizure and the quantity, type, and location of the fireworks.

(b) Any fireworks, with the exception of dangerous fireworks, seized pursuant to Section 12721 shall be disposed of by the State Fire Marshal in the manner prescribed by the State Fire Marshal at any time subsequent to 60 days from the seizure or 10 days from the final termination of proceedings under the provisions of Section 12593 or Section 12724, whichever is later.

(c) Dangerous fireworks seized pursuant to Section 12721 may, after the time period for petition and appeal described in Section 12724 has expired, either shall be disposed of according to procedures in Sections 12724 and 12726 or sold back to a licensed fireworks wholesaler or importer/exporter. A local public safety agency may sell back some or all of the dangerous fireworks it has seized to a licensed fireworks wholesaler or importer/exporter only if the following conditions apply:

(1) The local public safety agency has received approval from the local governing body to operate a sell back program.

(2) The seized dangerous fireworks to be sold back are federally approved;

(3) The seized dangerous fireworks to be sold back are in their original, undamaged, unopened packaging;

(4) The seized dangerous fireworks to be sold back are clearly marked with their US DOT EX#;

(5) The seized dangerous fireworks to be sold back are able to be resold to consumers outside of California without processing or repackaging.

(d) Any fireworks seized by any authority as defined in this chapter, other than the State Fire Marshal or his or her salaried assistants, shall be held in trust for the State Fire Marshal by that authority unless the seized fireworks have been identified by a local public safety agency to be sold back to a licensed fireworks wholesaler or importer/exporter.

(e) A public safety agency selling back seized dangerous fireworks to a licensed fireworks wholesaler or importer/exporter is not subject to the licensing requirements specified in sections 12572 and 12573.

12726. (a) Other than seized dangerous fireworks being sold back to a licensed fireworks wholesaler or importer/exporter local public safety agency pursuant to Section 12723, the dangerous fireworks seized pursuant to this part shall be disposed of by the State Fire Marshal in the manner prescribed by the State Fire Marshal at any time after the final determination of proceedings under Section 12724, or upon final termination of proceedings under Section 12593, whichever is later. If no proceedings are commenced pursuant to Section 12724, the State Fire Marshal may dispose of the fireworks after all of the following requirements are satisfied:

(1) A random sampling of the dangerous fireworks has been taken, as defined by regulations adopted by the State Fire Marshal pursuant to Section 12552.

(2) The analysis of the random sampling has been completed.

(3) Photographs have been taken of the dangerous fireworks to be destroyed.

(4) The State Fire Marshal has given written approval for the destruction of the dangerous fireworks. This approval shall specify the total weight of the dangerous fireworks seized, the total weight of the dangerous fireworks to be destroyed, and the total weight of the dangerous fireworks not to be destroyed.

(b) To carry out the purposes of this section, the State Fire Marshal shall may acquire and use statewide mobile dangerous fireworks destruction units or other available technologies authorized by the Department of Toxic Substances Control to collect and destroy seized dangerous fireworks from ~~local and state agencies~~ any public safety agency.

(c) If dangerous fireworks are seized pursuant to a local ordinance that provides for administrative fines or penalties and these fines or penalties are collected, the local government entity collecting the fines or penalties shall forward 65 percent of the collected moneys to the Controller for deposit in the State Fire Marshal Fireworks Enforcement and Disposal Fund, as described in Section 12728.

3540-492—Reappropriation, Department of Forestry and Fire Protection. The amount specified in the following citations are reappropriated for the purposes provided for those appropriations:

,0001—General Fund

Item 3540-001-0001, Budget Act of 2012 (Ch. 21, Stats. 2012)

- (1) Up to \$1,000,000 of the available balance in Schedule (4.5) Department of Justice Legal Services is available for reappropriation to pay the Department of Justice for legal services.